CHAPTER II

THE TYPE OF FARM CLASSIFICATION IN THE CENSUS OF AGRICULTURE OF 1930

Scope of classification.—The classification of farms by type in the 1930 census of agriculture represents, in the main, a pioneer effort for no detailed type of farm classification had been made prior to that time. In 1900 a type classification was made, but it was on a different basis and in much less detail.

In the 1930 census, 12 major types and 5 subtypes of farms were classified. They included the following types of farm: General, cash-grain, cotton, crop specialty, fruit, truck, dairy, animal-specialty, stock-ranch, poultry, self-sufficing, abnormal, and unclassified.

The abnormal type was divided into five subtypes: Institution or country estate; part-time; boarding and lodging; forest-product; and horse farm, feed lot, or livestock dealer. The original intent, also, was to divide the crop-specialty farms into subtypes; but due to physical limitations, largely because of the use of a 12-column punch card, this classification was impossible.

The census tabulations by type of farm included the following items: Number of farms; farm acreage; value of specified farm property; value of farm products sold, traded, or used by operator's family; receipts from boarders, lodgers, and campers; specified livestock and livestock products; size of farm; specified value (groups) of farm products sold, traded, or used by operator's family; tenure of farm operator; and specified farm expenditures (feed, fertilizer, and labor).

No classification of crops by type of farm was obtained. This is most unfortunate, but resulted because of the great expense involved in carrying it through. The way in which the crop cards were made up, particularly those covering the hay crops, virtually precluded such a type sort.

Without the tabulation of crops by type of farm, it is impossible to show the complete organization of each type of farm in the various counties. It may be obtained, however, by sampling the individual farm schedules for selected areas or townships. In Chapter VII of this report a number of frequency distributions of the various types of farms for selected counties are presented. Typical crop and livestock organizations found on each of these types of farms, likewise, are shown for selected areas with the view of filling in this gap and also of showing the range in organizations found.

Basis of classification.—The General Farm Schedule of the 1930 census of agriculture carried five inquiries relating to the gross value of products sold, traded, or used by the farm operator. These inquiries covered the following items:

Value of crops sold, traded, or to be sold, includes the value of grains, cotton, tobacco, hay, vegetables, fruits, plants, Fowers, and all other crops harvested in 1929 which had been or were to be sold or traded.

Value of livestock sold or traded, includes only the value of domestic animals sold or traded in 1929.

Value of livestock products sold or traded, includes the value of milk, cream, butter, butterfat, meat, poultry, eggs, honey, wool, mohair, and other livestock products sold or traded in 1929.

Value of forest products sold, includes the value of saw logs, veneer logs, firewood, pulpwood, fence posts, railroad ties, poles, piling, bark, turpentine, gum, etc., sold in 1929.

Value of farm products used by operator's family, includes the farm operator's value (estimated) of meat, milk, poultry, egss, honey, vegetables, fruits, firewood, etc., furnished by the farm for the use of the family of the operator in 1929 (rent of farmer's dwelling excluded).

Receipts from boarders, lodgers, and campers, include income received from boarders, lodgers, and campers (but exclude the value of board and lodging for persons working on the farm).

The total value of products (gross income) for each farm was determined by adding together the value of crops, livestock and livestock products, sold or traded, forest products sold, and farm products used by the operator's family. The receipts from boarders, lodgers, and campers were not included, inasmuch as it was assumed that there was probably some duplication between this item and the value of products furnished by the farm for the use of the family of the operator.

The relation which the value from each of these sources bore to the total value of products for the whole farm provided the basis for the type classification. Some difficulty was encountered in breaking down the income as reported under some of these inquiries into its various sources. In certain cases, notably for crops and livestock products, the values were reported for the entire group of such products, instead of for each separate crop or livestock product sold. Thus each of these totals had to be broken down to determine the amount attributable to each product or group of products comprising each type. This, in most cases, was readily done by applying average prices to the quantity of each product reported on the schedule as sold or as in excess of farm requirements for feed, seed, or use of the farm operator's family.

With the segregation of income by different sources the next problem involved in the classification had to do with the selection of the exact percentage of the income which each source should represent of the total income before the farm was classified under a special type. After experimenting with various percentages it was finally decided to classify a farm under a particular type if it received 40 per cent or more of its income from a particular source. For the type designated "Abnormal" this percentage was increased to 50 per cent. These "off type" farms usually were outstanding in some particular thing and for this reason it was thought best to advance the percentage somewhat. This percentage is in some degree arbitrary, but its final selection was based upon a number of considerations.

To begin with, the basis of classification used had to be simple and direct in its application. Time was an important factor. Each type had to be defined in such a way that it could be easily understood by the clerk and readily identified from the schedule. Next, it was important to select a percentage which would reflect satisfactorily the dominant enterprise and at the same time not show too many farms in a general farm class. The use of a percentage greater than 40 would have resulted in segregating a few highly intensive farms into particular groups receiving a very high proportion of their income from one particular source. The classification, however, would not have been very satisfactory, since the major portion of the farms under such a procedure would have been thrown into a general farm group. The use of a percentage less than 40 would have failed to differentiate clearly any one particular group of farms, and would have thrown all farms into a very few large groups, thereby defeating the purpose of the classification.

While this classification on the whole has worked out satisfactorily, it probably is not the best classification which could have been devised. More precision could have been obtained had it been refined (1) to segregate the highly intensive types, and (2) to portray more adequately the combination types by keeping them distinct from the intensive types, in one case, and the general farms in the other.

If this latter scheme of classification were followed, the highly specialized types would first be segregated by stepping up the percentage of the income necessary from one source, to 60 or 75 per cent of the total. The 40 per cent limit would be retained or probably lowered, possibly to 30 per cent, to distinguish the general farm class. This leaves, for combination types, the spread in between these two

limits; that is, a maximum limit of income from any one source (30 or 40 per cent) for general farms, and a minimum limit of income from any one source (60 to 75 per cent) for the intensive types.

Obviously this classification would be more difficult to apply than was the one used in the 1930 census classification. Considering the speed with which it is necessary to edit and code the census schedules, such an involved classification would probably be impractical. For special studies, however, it should work very well.

Each type of farm defined.—For each of the major types, sales, or anticipated sales, of the following products, or groups of products, had to represent 40 per cent or more of the total value of "All products" of the farm before the farm was classified under the particular type, as follows:

Cash-grain.—Corn, wheat, oats, barley, flax, rye, emmer and spelt, buckwheat, rice, and grain sorghum. Cotton.—Cotton (lint) and cottonseed.

Crop-specialty.—Sweet sorghum for sirup, sugarcane, sugar beets, maple sugar and sirup, soybeans, cowpeas, velvetbeans, ripe field peas and beans, tobacco, hay, peanuts, potatoes (Irish or white), sweetpotatoes, mushrooms, hops, broomcorn, and other field crops.

Fruit.-Small fruits, tree fruits, nuts, and grapes.

Truck.-All vegetables sold.

Dairy.-Milk, cream, butterfat, butter, and dairy cows and calves.

Poultry.-Chickens, ducks, geese, turkeys, and eggs.

Animal-specialty and stock-ranch.—All classes of meat animals, such as beef cattle, sheep, and hogs; also wool, mohair, and slaughtered animals; for both types.

The chief distinction between "Stock-ranches" and "Animal-specialty" farms lies in the ratio of the pasture land to the crop land. A stock-ranch is a type of organization in which chief emphasis is placed upon the production of livestock by grazing, while an animal-specialty farm is one in which more emphasis is placed upon the production of crops and feeding of livestock.

In the case of both these types, sales of beef cattle, sheep, and hogs; or wool and mohair had to represent 40 per cent or more of the total value of all products of the farm.

In differentiating "Stock-ranches" from "Animal-specialty" farms it was found necessary, because of variation in the quality of pasture in different parts of the United States, to use two limits for this ratio of crops to pasture, one for the territory lying, roughly, east of a line extending north and south through, approximately, the middle of the States of North Dakota, South Dakota, Nebraska, Kansas, Oklahoma, and Texas, and the other limit applying to the area west of this line.

Thus east of this line, where the acreage in pasture was 5 times the acreage in crops, it was classified as a "stock ranch," and where less than 5 times the acreage in crops as an "Animal-specialty" farm. West of the designated line a larger ratio applied, so that where the acreage in pasture was 10 times that in crops it was classified as a "stock ranch," and where less than 10 times the acreage in crops it was classified as an "Animal-specialty" farm.

In the Western United States farms reporting large numbers of cattle or sheep and little or no pasture land, and were evidently using public land for grazing, were classified as "stock ranches."

The basis for classifying the remaining 3 types was as follows:

General.—Farms were classified as "general" where the value of products from any one source did not represent as much as 40 per cent of the total value of all products of the farm. If the value of products from each of two sources represented 40 per cent or more of the total, the farm was classified as "general," except for specialized combination types, such as cotton-tobacco, fruit-truck, dairy-poultry, and other similar combinations, when it was classified as one or the other of these types, depending upon which was dominant in the locality.

Self-sufficing.—Where the value of the farm products used by the family was 50 per cent or more of the total value of all products of the farm it was classified as "self-sufficing."

Abnormal.—For convenience, farms of unusual types which differed markedly from ordinary farms were designated "Abnormal." It is difficult to give precision to the term "abnormal." Obviously, what is abnormal to one individual may not necessarily be abnormal to another. The exact meaning would be determined by what concept of normal was held. The term is here used loosely to include 5 kinds of farms (subtypes), defined specifically as follows:

Institution or Country Estate.—Institution.—Where the farm was owned or operated by a public or semipublic agency; for example, a school, college, church, foundation, or asylum. Country estate.—Where the value of the residence was \$25,000 or more, on farms consisting of 10 acres or over.

PART-TIME.—Where the operator spent 150 days or more at work in 1929 for pay at jobs not connected with his farm, or reported an occupation other than farmer, provided the value of products of the farm did not exceed \$750.

BOARDING AND LODGING.—Where the receipts from boarders, lodgers, and campers represented 50 per cent or more of the total value of all products and receipts of the farm.

FOREST-PRODUCT.—Where the value of forest products sold in 1929 represented 50 per cent or more of the total value of all products of the farm.

Horse Farm, Feed Lot, or Livestock Dealer.—Horse farm.—Where the value of horses or mules sold, 1929, represented 50 per cent or more of the total value of all products of the farm; or when from inventory items on the schedule it was evident that the principal business was the production of horses or mules. Feed lot.—Where the value of beef cattle, sheep, and hogs sold represented 50 per cent or more of the total value of all products of the farm and where the acreage in the farm was small, little or no crop production, and expenditures for feed large. Livestock dealer.—Where large numbers of livestock were reported under both purchases and sales, little or no feed being either produced or purchased, little or no pasture reported, and the operator reported an occupation other than farmer, or spent a number of days at work in 1929 for pay at jobs not connected with his farm, and where the value of livestock sold represented 50 per cent or more of the total value of all products of the farm.

Unclassified.—Where the farm was not operated in 1929, or where there was an incomplete report of the quantity of crops, livestock raised and sold, or where other information was missing or incomplete, the farm was not classified by type.

Method of handling special cases.—The use of income alone as a basis for type classification had to be modified somewhat to take certain peculiar situations into account. Gross income does not give a correct index of type, for example—where there is a total or partial crop failure, where the income from a particular enterprise is indicated only by an increase in inventory, or where there has been a liquidation of inventory items. Likewise, for such abnormal types as institution farms, country estates, and part-time farms, income alone is not sufficient to determine the type classification. These and other conditions led to the development of special rules for the handling of unusual cases. The more important of these follow:

Small summer places owned by nonresidents.—On small summer places owned by nonresidents where only hay was grown, or where production of other crops was negligible and the value of products did not amount to \$250 or more, the farms were classified as "part-time farms."

Cropper and "home" farms on plantations.—On cropper farms in the cotton and tobacco sections of the South the operator frequently reported spending 150 days or more at work in 1929 for pay at jobs not connected with his farm. Such farms were not classified as "Part-time" farms since it was assumed that the time spent off the farm really was the time spent in working for the plantation owner. The "home" farm of the plantation was classified as a "cotton" farm even though no sale of cotton was shown on the schedule reporting the operations of the plantation owner, except in unusual cases, where the value of some product other than cotton represented a larger proportion of the total income than did the value of cotton from the entire plantation. It is characteristic on such plantations for the plantation owner to rent all or most of the cotton land to croppers, or share tenants, while the owner on the "home" farm produces, largely, the feed for the work animals. The plantation owner also frequently buys all the fertilizer and materials used and keeps the livestock in a central barn. This latter situation gives rise to a difficulty in computing the averages, per farm, for items such as expenditures for feed, fertilizer, and labor and number of animals; since the averages are computed on a farm reporting basis, in cases where the plantation owner reports such expenditures for the entire plantation the averages necessarily would be higher than would be the case were all the croppers to report expenditures for their units separately.

Self-sufficing farms in the vicinity of cities.—Farms frequently were found adjacent to urban centers which apparently were occupied by people usually well past middle age who had retired from active business pursuits. It was evident from the value of the residence and character of improvements that these farms were not actually "self-sufficing" farms. It was obvious that the operator did not depend entirely upon the farm for a livelihood, but relied, in part, upon income from other sources. Although such farms were not true "self-sufficing" farms, they fitted in this classification better than any other used and were so classified.

Farms with land in summer fallow.—In certain of the dry-land-farming wheat areas of the West and Southwest a customary practice is to rotate the wheat crop with fallow. On small farms it occasionally happens that the entire farm will be in wheat one year and fallow the next year. The usual practice, however, is to have one-half or one-third of the crop land in-grain or fallow each year. Whenever such a farm was entirely in fallow, or reported crop failure, and it was apparent from other information on the schedule that the farm was a grain farm, or would be in grain the next year, it was classified as a "Cash-grain" farm. In the new combine-harvester areas in the western section of the Great Plains where land formerly in range was being put under the plow and fallowed preparatory to cropping, the farm was classified as a "Cash-grain" farm.

Nonbearing orchards.—On farms where new orchards were being developed and it was apparent that the care of the orchard was the main business, such farms were classified as "Fruit farms." When such orchards were 5 acres or less in size, and cotton, truck, or other crops were grown between the fruit trees, the farm was classified according to the source of the income which reported 40 per cent or more of the total receipts. In the lower Rio Grande Valley of Texas this situation was particularly in evidence, and was true, more or less, in all areas where intercropping is practiced.

Crop failure.—If a crop that failed could be reasonably identified and it apparently represented the major crop of the farm, the farm was classified according to the type that represented the crop failure; similarly, if there was only a partial crop failure as evidenced by a low yield, the farm was classified according to the type representing that crop, provided the farm would have been so classified had there been a normal yield.

Building up or liquidating livestock inventories.—In the ranch areas of the West farms reporting no sales of livestock and on which it was evident that the normal increase of livestock was being kept to build up the herd, were classified as stock-ranches. Conversely, when dairy and livestock farms were liquidating the herd preparatory to going out of business or shifting to other lines of production, the value of such animals was not considered or was discounted in classifying the farms by type.

Grazing farms showing no livestock on hand or sold.—Farms were found occasionally throughout the country, but particularly in the Flint Hills of east central Kansas, which reported receipts from the sale of pasture, but showed neither sale of livestock nor livestock on hand; in such cases the farms were classified as stock-ranches. The income received from the rental of the pasture on these farms was considered the same as the income derived from crops.

Determination of kind of cattle sold.—In classifying dairy farms the sale of dairy animals was added to the sale of dairy products to obtain the total income from dairy sources. Frequently it was difficult to determine the kind of cattle sold. In such cases the procedure was as follows: Cattle, of course, were considered as dairy cattle when there were no beef cattle shown on the schedule; likewise, when beef cows were reported milked and their number was one-fourth or less of the total number of cows milked, the cattle sold were considered as dairy cattle, provided that no beef cattle were fattened and sold. Veal calves were considered as dairy animals and their value was added to the value of dairy products in classifying dairy farms. In New York and Pennsylvania particularly, the statistics show more farms classified as "Dairy" farms than the number of dairy farms reporting cows milked. This resulted from the fact that the cows on certain farms were not milked, but the milk was marketed through veal calves.

Poultry farms with small number of chickens.—Frequently farms were classified as "Poultry" farms even though they reported but few chickens. This situation prevailed where the sales of turkeys, baby chicks, ducks, and geese were the predominant source of income. This fact, also, seriously affected the relation of egg production to the number of chickens on farms April 1, 1930.

Wild hay on ranches.—In distinguishing "Stock-ranches" from "Animal-specialty" farms the acreage in wild hay was considered as pasture land in calculating the ratio of crop land to pasture land. Furthermore, if it was apparent from the schedule that roughage was used for feeding the livestock through the winter (little, if any, being sold) the farm was classified as a "stock-ranch," provided it was a ranch in all other respects.

Family living discounted in special cases.—On small cotton or tobacco farms in the South where the principal source of income and the value of family living were of about equal importance, the farm was classified either as "Cotton" or "Crop-specialty." For example, a farm reporting as much as 5 acres of cotton or producing at least 2 bales of cotton, or harvesting 3 acres of tobacco, was classified as a "Cotton" or a "Crop-specialty" farm even though the value of cotton or tobacco may have been somewhat less than the value reported for family living.

Large numbers of livestock with little or no sales.—In the Southern States particularly, farms were frequently found which reported relatively large numbers of livestock on hand, though, but few animals were reported as sold. This situation usually was accepted since the general practice in this section is to allow the stock to range widely unattended. The values of livestock sold, also, were sometimes relatively low when compared with the number on hand, but they were usually accepted.

Farms on Indian reservations.—Farming on Indian reservations ordinarily was so inconsequential that the farms were classified as "Self-sufficing" farms even though relatively small values for family living were shown. Occasionally, however, an Indian farm-operator would be found whose operations were of such magnitude as to make him a bona-fide farmer. In such cases his farm was classified according to the dominant source of income. Farms operated by Indians when not on reservations were classified according to the dominant source of income. Many such farms were found in the ranching areas.

Greenhouses, nurseries, and apiaries.—The original intent was to make a separate type classification for the greenhouses, nurseries, and apiaries, but physical limitations made it necessary to include them with those "unclassified."

Appraisal of the results by type of farm.—A number of considerations should be given attention when interpreting the statistics by type of farm. In the first place the exact basis of classification used should be kept clearly in mind. With the exception of some "Abnormal" farms and certain unusual cases, it will be remembered, income was the primary basis used in the classification. Furthermore, a certain definite percentage (40 per cent or more) of the total income had to come from a particular source before the farm could be classified as a specific type. Income provides a common denominator to which the relative importance of all enterprises can be reduced, and for this reason is probably the best single measure for determining type that has yet been used. Its use for a particular year, however, may be open to the objection that the normal relationship between prices of a particular product may be temporarily out of balance, or yield or

acreage for a particular year may be out of line due to climatic disturbances. To the extent that such situations exist a different type classification, obviously, would result than would have been the case had normal relationships prevailed.

Probably the most stable type classification that could be obtained would be that of applying long-time average prices to long-time average production on individual farms. Such detailed data, of course, were not available for the 1930 census classification, which had to be made on the gross value of products sold, traded, or used by the operator's family as reported by the farmer for the one year, 1929. An examination of the 1929 price relationships for different agricultural products, however, reveals no greater distortions for that one year than obtained during each of the preceding 5 years. It is probable, therefore, that the resulting classification of farms by type is not greatly different from that which would have been obtained had the average values for the previous 5 years been available.

Were this classification used for another year, under somewhat different conditions, most marked changes probably would be found in the "General" farming areas. No doubt farms which would classify as "general" under one set of price relationships, might conceivably classify under a different type, such as, "dairy," "poultry," or "cash-grain," were the prices of the products for these particular types to change relative to the prices of other products found on these farms. However, in intensive "dairy," "cash-grain," "cotton," "fruit," "truck," and "crop-specialty" areas, it is probable that little change in the present type classification would result. This arises from the fact that in such areas the income from the one source is usually outstanding relative to the income from other sources.

The use of 40 per cent as the division point for classifying farms, by type, resulted in a situation peculiar to "general farms" which should be given consideration. Farms were classified as "general farms" if they did not receive as much as 40 per cent of their income from any one source. In certain areas, however, farms were found frequently which received 40 per cent from each of two sources, and the problem arose as with which type group they belonged. Such farms were particularly prevalent in the cotton, peanut, and tobacco areas in the South Atlantic States, in western New York, and in some other areas, wherever most of the income came from two sources which were of about equal importance. Such specialized combination types were not classified as "general farms," but as one or the other of the types shown by the combination depending upon which type was dominant in that locality.

In interpreting the results of the classifications in such areas, therefore, it is important to keep in mind just what was done and recognize that some of the farms found in the dominant type group are not strictly of that type, but are

really combination types.

In a general way, farms of a given type in the same county or area will have the same broad characteristics, but may differ considerably from those in some other county or area. In making numerical comparisons of farms of a given type by selected counties, or by geographic divisions, or by States, therefore, recognition should be given to this fact. The characteristics of "crop-specialty" farms, particularly, vary quite markedly in different parts of the country. This arises from the fact that there are so many different crops grouped under this particular type. While for the United States, as a whole, this type may lack definiteness, in particular counties or local areas it is quite definite and distinct.

Similarly, the products comprising the source of income on general farms vary widely. For example, in most of Ohio the principal products on general farms are dairy, poultry, livestock, and grain; in Michigan, dairy, poultry, beans and

potatoes; and in western New York, beans, potatoes, cabbage, fruit, poultry, and dairy.

Likewise farms of the same type vary widely by size, so much so, that care must be exercised in interpreting the relative importance of a particular type in different parts of the country simply on a numerical basis.

In addition to the discussion of the results of the classification by type of farm, mention should be made of the value figures upon which the results were based, and the additional use made of these value figures in mapping the type of farming areas.

The accuracy of the statistics relating to value of products should be judged from two viewpoints, as measuring the relative importance of the different producing groups, and as measuring the gross agricultural income of particular counties, States, or the United States as a whole. The value of products reported for different types of farms probably measures quite satisfactorily the relative proportion of the gross agricultural-income derived from different producing groups. A somewhat different picture of the relative importance of different types of farms would be shown, however, were the comparison made on a net rather than a gross basis. This variation arises because different types of farms represent varying degrees of intensity of production.

The total value of products sold, traded, or used by the operator's family for the different divisions, States, or counties, however, is not a true measure of the gross agricultural income for any of these areas. The value of products as reported by the individual farmer on the General Farm Schedule represents the gross agricultural income on that farm. When the separate farm reports are combined into county or State totals, however, the resulting total does not measure the gross income for the county or State. This is due to duplication arising from interfarm sales, which in certain areas, particularly the feeding areas of the Middle West, are of considerable importance. To the extent that farmers in one county or State sell grain or livestock to other farmers in that same county or State, who in turn resell the livestock or remarket the grain in the form of livestock, in these areas there is duplication or double counting. These totals, also, do not include the value of products for farms which were not classified by type. For the United States, 288,766 farms, or 4.6 per cent of the total, were unclassified by type. If the value of products on these farms were added to the total, it probably would be increased by 4 or 5 per cent. Furthermore, in analyzing results as reported on the General Farm Schedule, there was noted a distinct tendency for farmers to be very conservative in reporting the value of dairy products. This apparently was due to the farmer being unduly influenced by the prices of dairy products prevailing at the time of making the enumeration, April, 1930. There was a decline in the price of dairy products from the middle of the year 1929 to that of the spring of 1930 when the enumeration was made. In reporting the value of dairy products sold in 1929, some farmers apparently tended to apply the prices prevailing April 1, 1930, to the quantity which they sold in 1929, rather than to apply the average prices prevailing in 1929, to the quantity sold in that year. probably resulted in a slight understatement of the value of dairy products sold, particularly in the States bordering the Great Lakes.

In the cotton areas of the Southern States, it was impossible to determine whether the value of cotton sold also included the value of cottonseed sold or consumed; probably, in many cases, the seed was either partly or totally excluded. It is not an uncommon practice for farmers to pay with cottonseed the cost of ginning, or to use it for feed, fertilizer, or seed. Whenever a farmer used cottonseed for any one or all of these purposes, the likelihood is that the

value of cotton reported by him included only the lint plus such proportion of the seed actually sold.

There are certain other limitations pertaining to some of the items which should be kept in mind when interpreting the value figures. The value figure reported for forest products sold, for example, is probably the least satisfactory of all the farm product values shown. While the intent of the question was to obtain only the value of forest products sold in 1929, which were cut in 1929, the inquiry was open to possible misinterpretation. It is not possible, therefore, to determine whether the value of forest products sold includes only those cut in 1929, or whether it, also, includes those cut in years prior to 1929 but sold in that year.

In the turpentine and resin areas and the regions producing mining timbers, frequently a value of products was shown with no forest products reported as cut, there being no provision on the General Farm Schedule for reporting the quantity of such items. These values were usually accepted as reported but were roughly checked against the land in woodland to determine if they were reasonably accurate.

In interpreting the total value of products on "animal-specialty" farms, particularly the value of livestock sold, it should be understood that this value includes the entire value of the finished animal sold with no deduction made for the cost of the original feeder. This probably, in the main, explains why the average value of products on "animal-specialty" farms is considerably higher than on "cash-grain" farms of approximately the same size.

One other consideration which has to do with changes in inventories should be kept in mind also in interpreting these statistics. They do not take into account net increases or decreases in inventory; hence, to this extent, they fail to reflect the gross agricultural income.

Although the values, by type of farm, reflect fairly satisfactorily the relative income from different producing groups, they do not necessarily reflect the relative importance of different sources of income for a given area. This arises from the fact that a given type shows income from sources other than from the one which determines its classification. For example, "animal-specialty" farms may and usually do sell dairy and poultry products in addition to meat animals. Similarly, farms which classify as dairy, may sell hogs, wool, or sheep in addition to the sale of dairy products. Thus, to obtain the relative importance which one source of income, such as dairy products, bears to the total value of products for an entire area, it is necessary to combine the sale of such products as reported for each of the types into one total and relate this total to the value of all products for the area.

Such computations were made by applying average prices to the quantities of the various crops and livestock and livestock products, sold or to be sold, or to those in excess of feed and seed, in the various counties of the United States. The value for each of these products was then related to the total value of all products sold in each county, and the resulting percentage represented the relative importance of each source of income in each county. These data have not been published but have been used a great deal along with the count of farms by type in constructing the generalized type of farming map for the United States referred to in Chapter IV.